



## **The Economic Firestorm that Awaits - A Word to the Wise**

It was announced on the BBC a few days ago that Britain's national debt had reached £800billion, or 56% of total annual economic activity. It was further suggested that the UK's national debt was set to climb to 76% of total annual economic activity over the next 5-10 years. The point being that this ever increasing national debt means that whichever political party wins the General Election of 2010 will be forced to institute both tax cuts and public spending cuts. Knowing how bad things are looking, the Labour Party, which faces almost certain humiliation at the next election, discarded the planned Comprehensive Spending Review (CSR) for fear of having to tell the public the awful truth. However as sure as night follows day, come April 1 2011 some bitter medicine will be administered to the British public. Of course the corruption, stupidity and profligacy of the Labour government; with their bailout of the corporate banksters in the City of London and failure to keep control of the public finances is not the fault of the average Kofi and Adeola on the street. However Kofi and Adeola, like the rest of us, are going to have to pay dearly and this applies to brothers and sisters in the US, Caribbean and most particularly Afrika.

Meanwhile Goldman Sachs has just posted record quarterly income figures and Wells Fargo bank has posted an 81% increase in profits this week, whilst up to 4 million US citizens face foreclosure. Robert Reich, former economic advisor to Bill Clinton asks:

*"Should we breathe a sigh of relief that Goldman Sachs has posted record earnings as revenue from trading and stock underwriting reached all-time highs (second quarter net income was \$3.44 billion) -- less than a year after the firm took \$10 billion directly from taxpayers and \$13 billion indirectly through AIG?"*

*Meanwhile, Goldman is still depending on \$28 billion in outstanding debt issued cheaply with the backing of the Federal Deposit Insurance Corporation. Which means you and I are still indirectly funding Goldman's high-risk operations."*

Goldman's Back, and Why We Should Be Worried by Robert Reich

<http://www.truthout.org/071509F>

Remember; Hank Paulson, who engineered the Bush bailout, is a former Chief Executive of Goldman Sachs. One of the reason why he organised the massive bailout of AIG was to help their counterparties (companies AIG owed billions of dollars to) which included his buddies at Goldman Sachs. The Bush/Obama/Brown bailouts were designed to restore the banks' balance sheets not to help you and me.

Psyche! This is why you have seen only marginal increases in lending to Jawanza Public and even banks that were completely taken into public ownership, like Northern Rock in the UK, have continued their policy of aggressively pursuing repossessions. Whilst you have been dazzled by Obama's smiles, his friends on Wall Street have been going through your pockets for the last dollar/pound. This is state sponsored and Wall Street/City of London perpetrated theft on an historic scale. The banks are back and they are not in the least bit sorry.

In this newsletter I want to give you a little bit of advance warning of the potentially dire situation faced by Afrikans, using the UK as an example, so that I can persuade you and all the other Afrikans who eventually read this newsletter of the desperate need for us to stop acting like grovelling economic slaves and to replace all the 'conscious' rhetorical bullshit with some real, practical action.

As you can perhaps tell I have just about had my fill of all the PhD in BS merchants who are leading our people over a cliff's edge with smiles on their faces. Whether it be Negro pimpster preachers or second sun viewing; wait for the lizard people to reveal themselves; esotericists, precious few of our so-called Black leaders; or leading Blacks, are dealing with burying the sh\*t bucket, but rather; are more interested in swatting away flies (you will need to have read the appropriate Chinweizu essay on my website to fully get the reference). Oh, and don't get me started on all that Obama crap. Suffice to say that never has there been a more cogent and poignant example of a people stuck on stupid; than all the emotionalistic, illogical, unevidenced and plain wrongheaded nonsense written about the latest war criminal to inhabit the White House. If another Obamaholic sends me another email with another carefully crafted photo opportunity of him; whilst conveniently forgetting all the innocent women and children his foreign policies, drone bombers, troops, and lackeys are killing in Zimbabwe, Pakistan, Iraq, Afghanistan, Somalia etc. I think I am going to start cussing some bad wo'd. His treachery towards Black farmers and Historically Black Colleges in the US should have woken some Afrikans in the US out of their thinking coma. However it seems clear that for most of our people whenever he politically spits in their mouths (which he does frequently) they treat it as refreshing spring water.

Anyway, I feel a bit better now, so let's get back to the topic in hand.

The dire public finances in the UK mean that from the 2011-2012 financial year onwards whoever is in power will institute public spending cuts on a massive scale. If the cuts are across the board they will be of the order of 7% per annum in real terms. If health and education are ring fenced and largely protected then one is looking at cuts of 10-12% in all other government departments. What are the likely consequences of this for us and the economy?

- In the UK, as in the US, Afrikans are disproportionately employed in the public sector (by national and local government and quangos). There are going to be huge redundancies in the public sector after 2011 (it has already started in

Nottingham where I live) so you can forget your job for life if you work for the Council. If you perform a back office or administrative function you are particularly vulnerable. Also, if you work in a profession or area that engenders little public sympathy e.g. probation, mental health etc. you are also vulnerable.

- These job losses are going to have compound effects. On a macro level they are going to reduce the tax take to the government and increase the amount spent on benefits and with the private sector in recession further entrench the recession. On the micro level they are going to put more Afrikan families into poverty and with us having such a huge number of single parent households we are more vulnerable than other groups, since if one adult in a household with two or three working adults and children loses their jobs it's a problem, whereas if one adult in a household with only one adult and children loses their job it is a crisis and poverty often follows.
- Increased unemployment and poverty will mean decreasing social and cultural opportunities and exposure for our children, stalling or falling educational attainment, increased involvement in crime and greater imprisonment etc. etc. Job losses will also mean repossessions (foreclosures) of homes and loss of wealth in our community. This loss of wealth will in fact normally end up as transfer of wealth to other ethnic/racial groups. Increased poverty and unemployment will also mean increases in anxiety, depression and other forms of mental illness, increased domestic violence and increased marital breakup. It is a true truism that marriages more often break up due to financial problems than sexual infidelity.
- The loss of income through unemployment, increased worries over employment for those still in jobs and lower sales for those with businesses will translate into lower remittances being sent back home (Africa and the Caribbean). Remittances are far more important to the economic well being of most Afrikan and Caribbean countries than Foreign Aid (check out my new book) and this fall in income will in the end translate into less children being schooled, less food on the table and in more extreme cases deaths of the very young, very old and others who are vulnerable. Every day 30,000 people die from the effects of poverty and Africa experiences a disproportionate share of these deaths. This death toll is set to increase.
- The negative effects of this economic crisis on Afrika and the Caribbean will only further exacerbate the 'brain drain' as the brightest jump ship and head for wherever the going looks better.
- Economic crisis will also create greater political instability in Afrika, so look out for more coups and civil wars in Afrika (with some helping 'Western' hands where it suits them) and look out for South Africa getting very hot politically after all the euphoria over the World Cup crap wears off and the Afrikans in South Africa realise that the World Cup does not mean anything, does not prove anything and provides hardly any long-term economic benefits, except to the elite who are already busily skimming away. Meanwhile the thieves and

blockheads who run Nigeria look on enviously, believing that as the most populous country in Afrika they should have been given the 'honour' of being the first Afrikan nation to host the World Cup, even though about 50% of the Nigerian population live on less than \$1 a day. No doubt there will be an Olympic bid coming in from Nigeria in the not too distant future! Cargo cult maldevelopment as Chinweizu would say (Decolonising the African Mind).

- Back in Britain, Afrikan businesses, which tend to be disproportionately micro (less than 5 employees) and disproportionately dependent on Afrikan consumers, are going to suffer as customers tighten their belts if not their weaves.
- The so-called Black voluntary sector is going to be decimated as the focus of the public sector is going to be on delivering their statutory responsibilities and all the 'nice to's' will be subordinated to funding the 'need to's'. I attended a meeting with representatives of a public sector body on the day I started writing this newsletter (22<sup>nd</sup> July 2009) and they made it pretty clear that after 2011 all bets were off in terms of funding voluntary sector organisations that were not directly contributing to helping them meet their statutory responsibilities. So if you work in the voluntary sector, where once again Afrikans are disproportionately concentrated, you are very vulnerable.
- Britain is faced with the prospect of years of bumping along at the bottom, stuck in economic stagnation. No further decline but no growth either (like Japan's 'lost decade'), which would not be a problem if the resources of the country were not so maldistributed. Consumer spending in the US has fallen off a cliff as USers (another term for 'Americans') have rediscovered saving. The saving rate in the US had fallen to almost 0% of income in early 2008 but is now at around 7% as people focus on paying off debts. This is good news for the individual but bad news for a US economy so dependent on consumer spending. You work it out, government cuts back spending, consumers cut back spending and businesses cut back spending. With a minimal social security net in the land of rugged individualism Afrikans in the US are going to get badly hurt as a group unless they learn some group loyalty and some new priorities.

So that is a brief synopsis of the economic Tsunami about to engulf us. The question then arises what do we do? Well, even though I (and many others) have repeated many of these obvious solutions ad infinitum they are worth rehearsing again. Here are solutions for those of you who want them:

- Stop hanging out with negative people
- Stop arguing with fools. People observing will be hard pressed to know who is the fool
- Stop making excuses for race traitors

- Stop viewing gaining acceptance by Caucasians as the primary purpose of our existence
- Make the upliftment of our people your number one priority
- Make a household budget
- Save more and spend less
- If you live in a two income household start budgeting as if you only have one income
- Reduce your debts as a priority
- Seek impartial free advice for large/pressing debts
- Spend more of what you spend with Afrikans
- Reduce, Repair, Reuse and Recycle
- Drive slower, keep your tyres inflated and take the crap out of your car boot
- Develop additional streams of income even if you have a job
- Develop a life plan
- Develop an investment plan
- Stop wasting money on crap
- Read more serious books and watch less crappy TV
- Stop eating so much processed food
- Grow your own food if you have some garden space
- Take exercise
- If you have weight problems and it's not due to some other health problem then it's about your lifestyle and/or emotional state not your metabolism
- Join or start an organisation dedicated to the upliftment of Afrikan people
- Financially contribute to an organisation dedicated to the upliftment of Afrikan people
- Contribute to a charitable organisation dedicated to the upliftment of Afrikan people (even if you are broke)
- Form links with individuals/organisations in Afrika if you are located outside the continent
- Let's make it a cultural rule that every Afrikan born outside the continent should go to Afrika at least once in their lifetime (more if possible)
- Invest in Afrika
- We need to form repatriation associations for those who want to go home, to build links with governments and hold people's hands through the repatriation process
- Teach your children financial literacy as you learn with them
- Live in a household with more than one adult. It's cheaper and probably better for your mental health.
- Don't kick your children out to go and live in some rundown accommodation rented from a non-Afrikan. Encourage them to stay at home and contribute to the household whilst saving.
- Encourage you children to get married, to an Afrikan, of the other sex.
- Form food co-ops

- Form partners, investment clubs, credit unions etc. Visit the ABDF website [www.abdf.co.uk](http://www.abdf.co.uk) to see what we have done
- Start or get involved in a LETS scheme to reduce your dependency on their currency and to build your networks
- If you can afford it install solar panels and try to get off the electricity grid
- Community Economic development needs to be a central component of all rites of passage programmes and needs to be taught to Afrikan adults in community centres across the country and around the world.
- Start using the language of POWER, talk about Afrikan POWER, talk about Afrikan sovereignty. Discard the language of Diversity, Equal Opportunities, Race Relations, BME, People of Colour, Vote or Die etc.
- As Amos Wilson told us, understand that there are no permanent friendships in geo-politics just permanent interests.
- Hope for the best but prepare for the worst
- If you identify a problem start working on a solution
- Read the Plan at the back of 'Destruction of Black Civilisation' (by Chancellor Williams)
- Stop sending me Barack Obama photos and start sending me serious analysis of his policies and not his rhetoric
- Buy my new book (and the others if you have not got them)!

Well, that's over 40 solutions; so I have followed my rule to be solution oriented. Hopefully there is something in the foregoing list you can get working on straight away. Whatever happens, you have been warned; so I have discharged my responsibility as a writer and researcher to tell you what I know and what I think. My responsibility as an Afrikan continues undiminished.

The fundamental message of this newsletter is that true success is a team sport, as even wealthy Afrikan individuals remain vulnerable because they belong to a conquered, despised and disrespected group - with Michael Jackson being just the latest example. There is a reason Europeans called it 'race', it's because it was about group competition. It was about the most bloodthirsty, manipulative, deceptive, ginal, barbarians taking the spoils. United we stand, divided we fall and if we don't get over this, please can't we all hold hands, be friends and sing 'cum by ya my Lord' foolishness, they will be singing songs over our graves as the last piece of Coltan is dug out of the ground in the Congo.

If you know better, do better.

Stay Blessed

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